

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In re:</b>  <b>W.R. GRACE &amp; CO., <i>et al.</i>,</b>  <b>Debtors.</b>	<b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b>	<b>Chapter 11</b>  <b>Jointly Administered</b> <b>Case No. 01-01139 (KJC)</b>
---	--	--

**FEE AUDITOR'S FINAL REPORT REGARDING THE APPLICATION  
OF BARNWELL WHALEY PATTERSON & HELMS, L.L.C., AS COUNSEL  
TO THE ZAI (CLASS 7B) TRUSTEE, EDWARD B. COTTINGHAM, JR.,  
FOR COMPENSATION FOR SERVICES AND REIMBURSEMENT  
OF EXPENSES RELATING TO PLAN IMPLEMENTATION FOR THE  
PERIOD OF DECEMBER 1, 2013 THROUGH FEBRUARY 3, 2014**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Application of Barnwell Whaley Patterson & Helms, L.L.C., as Counsel to the ZAI (Class 7B) Trustee, Edward B. Cottingham, Jr., for Compensation for Services and Reimbursement of Expenses Relating to Plan Implementation for the Period of December 1, 2013 through February 3, 2014 (the "Application").

**BACKGROUND**

1. Barnwell Whaley Patterson & Helms, L.L.C. ("Barnwell Whaley"), was retained as counsel to the ZAI (Class 7B) Trustee, Edward B. Cottingham, Jr. ("Cottingham"). Cottingham is identified as the Class 7B Trustee in the Asbestos PD Trust Agreement ("PD Trust Agreement"), which PD Trust Agreement is annexed as Exhibit 3 to the Exhibit Book for the Debtor's First Amended Joint Plan of Reorganization as Modified through December 23, 2010 (the "Plan"). Cottingham retained Barnwell Whaley to assist him in the performance of services necessary to the creation of the Asbestos PD Trust and which, according to Cottingham, benefitted the Debtors'

estates. In the Application, Barnwell Whaley seeks final approval, pursuant to 11 U.S.C. §§ 330, 331, and 503(b)(4), of fees totaling \$9,875.00 and expenses totaling \$280.50 for its services for the period of December 1, 2013 through February 3, 2014 (the "Final Application Period"). This is the first and final application filed by Barnwell Whaley in these cases.

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2014, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996 (the "U.S. Trustee Guidelines"), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals.

## **DISCUSSION**

### **Final Application Period**

3. We offer no opinion in this report as to whether the fees and expenses requested for Barnwell Whaley's services should be compensated under Section 503(b)(4). Rather, our recommendations pertain only to the reasonableness of the fees and expenses requested and are contingent on the Court's determination that the services of Barnwell Whaley have satisfied the requirements of Section 503(b)(4).

4. We note that included in Barnwell Whaley's final fee request are fees totaling \$175.00 for work performed after February 3, 2014, the Effective Date of the Plan. Because these

fees were incurred after the Effective Date, they are beyond the scope of our review, and we offer no recommendation concerning the fees in this report.

5. We have no issues with, or objections to, Barnwell Whaley's fees and expenses for the Final Application Period, and thus we did not send an initial report to Barnwell Whaley.

### **CONCLUSION**

6. Thus, we recommend final approval of \$9,700.00 in fees (\$9,875.00 excluding \$175.00<sup>1</sup> in post-Effective Date fees) and \$280.50 in expenses for Barnwell Whaley's services for the Final Application Period.<sup>2</sup>

Respectfully submitted,

**WARREN H. SMITH & ASSOCIATES, P.C.**



By: \_\_\_\_\_  
Warren H. Smith  
Texas State Bar No. 18757050

2235 Ridge Road, Suite 105  
Rockwall, Texas 75087  
214-698-3868  
214-722-0081 (fax)  
whsmith@whsmithlaw.com

**FEE AUDITOR**

---

<sup>1</sup>See paragraph 4.

<sup>2</sup>As stated in Paragraph 3, these recommendations are contingent upon the Court's determination that Barnwell Whaley has satisfied the requirements of 11 U.S.C. § 503(b)(4).

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 15th day of July, 2014.

A handwritten signature in blue ink, appearing to read "W. H. Smith", is positioned above a horizontal line.

---

Warren H. Smith

## **SERVICE LIST**

### **Notice Parties**

#### **Counsel for the Applicants**

William D. Sullivan  
Seth Brostoff  
Sullivan Hazeltine Allinson LLC  
901 N. Market Street, Suite 1300  
Wilmington, DE 19801

#### **The Debtors**

Richard Finke  
Assistant General Counsel  
W.R. Grace & Co.  
7500 Grace Drive  
Columbia, MD 21044

#### **United States Trustee**

Richard Schepacarter  
Office of the United States Trustee  
844 King Street, Lockbox 35, Room 2207  
Wilmington, DE 19801

#### **Counsel for the Debtors**

John Donley  
Adam Paul  
Kirkland & Ellis LLP  
300 North LaSalle Street  
Chicago, IL 60654

Laura Davis Jones, Esq.  
James E. O'Neill  
Pachulski Stang Ziehl & Jones LLP  
919 North Market Street, 17th Floor  
P.O. Box 8705  
Wilmington, DE 19899-8705

#### **Counsel to the Official Committee of Unsecured Creditors**

Denise Wildes  
Stroock & Stroock & Lavan  
180 Maiden Lane  
New York, NY 10038-4982

Michael R. Lastowski  
Duane Morris LLP  
222 Delaware Avenue, Suite 1600  
Wilmington, DE 19801

#### **Counsel to the Official Committee of Property Damage Claimants**

Scott L. Baena  
Jay Sakalo  
Bilzin, Sumberg, Baena, Price & Axelrod  
1450 Brickell Avenue, Suite 2300  
Miami, FL 33131

Michael B. Joseph  
Theodore J. Tacconelli  
Lisa Coggins  
Ferry & Joseph, P.A.  
824 Market Street, Suite 904  
Wilmington, DE 19801

#### **Counsel to the Official Committee of Personal Injury Claimants**

Elihu Inselbuch  
Rita Tobin  
Caplin & Drysdale  
600 Lexington Avenue, 21<sup>st</sup> Floor  
New York, NY 10022-6000

Marla R. Eskin  
Mark Hurford  
Kathleen Campbell Davis  
Campbell & Levine, LLC  
222 Delaware Avenue, Suite 1620  
Wilmington, DE 19801

#### **Counsel to the Official Committee of Equity Holders**

Philip Bentley  
David E. Blabey, Jr.  
Kramer Levin Naftalis & Frankel  
1177 Avenue of the Americas  
New York, NY 10036

Teresa K.D. Currier  
Saul Ewing LLP  
222 Delaware Avenue  
P.O. Box 1266  
Wilmington, DE 19899